GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:1854
ANSWERED ON:29.11.2002
CORPORATION STATUS TO IDBI
KAMBALAPADU E. KRISHNAMURTHY

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Government are contemplating to repeal the Industrial Development Bank of India Act to give it a Corporation status;

(b) if so, the details thereof;

(c) whether the Government also propose to merge IDBI with a public sector bank; and

(d) if so, the details thereof

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE & COMPANY AFFAIRS (SHRI ANANDRAO V. ADSUL)

(a) & (b): Yes, Sir. Government is contemplating to repeal the IDBI Act 1964, and convert it into a company under the Companies Act, 1956. It is proposed to :

(i) repeal the Industrial Development Bank of India Act, 1964;

(ii) transfer and vest the undertaking of the Industrial Development Bank of India to the Company to be formed and registered under the Companies Act, 1956;

(iii) allow such company to carry on banking business in accordance with the provisions of the Banking Regulation Act, 1949;

(c): No, Sir.
(d): Does not arise.